REMARKS

In the Office Action, the Examiner noted that Claims 1 through 20 were pending in the Application. The Examiner rejected Claims 1 - 20. Applicants traverse the rejections below.

I.   Traversal of the Rejection under 35 U.S.C. Section 101

The Office Action rejected Claims 7 - 12 and 17 - 20 under 35 U.S.C. Section 101, "because the claimed method for generating a representation of business policy does not recite a limitation in the technical arts", and that the subject matter recited therein "are abstract ideas which can be performed mentally without interaction of a physical structure."

In this Amendment, independent Claims 7 and 17 have been amended to recite and require physical structure in the computing environment in which the subject matter is intended to be carried out. Accordingly, Applicants submit that the rejection under 35 U.S.C. Section 101 should be moot.

II   Traversal of the Rejections over the Cited Art

The Examiner rejected Claims 1, 6, 7, 12 - 15 and 17 - 19 under 35 U.S.C. 102(e) as being anticipated by U.S. Patent No. 5,987,423 to Arnold et al (Arnold). The Examiner rejected Claims 2 - 5, 8 - 11, 16 and 20 under 35 U.S.C. 103(a) as being unpatentable over Arnold. Applicants traverse these rejections below.

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A.   The Present Invention

The present invention provides a technique, in a computer environment, for the representation of business policy and the governing of business activities using a business rules book containing a set of policy and procedural rules. The business rules book, policy set and an optional product list filter are all linked in a computing environment so that a business contract with a business partner can be managed automatically when linked to the computing environment. Using this technique, business activities are executed using the contract as a conduit. Values from parameters in the contract are automatically inserted. This ensures conformity to the terms of contract for the business activity being undertaken in response to the contract.

B.   Differences between the Claims and the Cited Art

Claims 1, 6-7, 12-15 and 17-19 were rejected under 35 U.S.C. 102(e) as being anticipated by Arnold. Applicants traverse this rejection below.

Applicants submit that the Office Action does not make a prima facie case for anticipation, since Arnold does not teach or disclose all of the elements as claimed. In fact Arnold appears to operate in a manner opposite to that of the claimed invention. For example, Arnold states at col. 15 lines 28-29 "reviews and combines prices, discounts and sales contracts to define applicable prices and discounts for an order"and lines 46-49 "Finally the requester class references the Sales Contract Retriever which determines the prices or discounts that apply based upon sales contracts". In contrast, as recited in independent Claim 1, the claimed invention generates a business policy by "storing in a memory of the computer at least one compilation of business rules comprising a plurality of rules available to be selected for inclusion in a business contract; storing in the memory at least one policy set containing parameters corresponding to selected rules from the compilation of business rules; generating links between the compilation of rules and the policy set to generate specific rules to be embodied in the business contract; and interlocking

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the compilation of business rules, the policy set and the links." The business contract created is the result of the process in the claimed invention. The **contract is not used in the claimed invention as in Arnold; in contrast it is created** as a reflection of the policies of the enterprise. Support is clearly found on page 3 first paragraph of the application. The teaching of Arnold is the use of a number of classes that provide rules and not a collecting of selected rules into a contract as in the claimed invention. Arnold therefore does not have the first element of Claim 1 and could not have anticipated its use. Further, Claim 1 provides "interlocking", which is not evident in Arnold. The cited references in Arnold are limited to situations with discounts. Support for the step of interlocking may be found in the instant applicant throughout page 4.

The discussion relative to the rejection of Claims 1, 6, 7, 12, 13, 15, 17 and 19 under Section 102(e) appeared to be directed at the subject matter of independent Claim 1 only. Since Claim 1 has been shown to patentably distinguish over the cited art, it follows that the other claims also distinguish therefrom. Also, all of the remaining dependent claims should also thereby distinguish over the cited art.

Additionally, the subject matter of dependent Claim 6, which recites that "the business contract is locked after interlocking contract elements and links" is not addressed in the Office Action and cannot be found by Applicants in Arnold. Dependent Claim 12 recites similar subject matter. Accordingly, these claims further distinguish over the cited art.

With regard to dependent Claims 14 and 18, the contract of the claimed invention (see page 12 last paragraph through page 13 end of first paragraph) from which the document is created is different from that of Arnold in that the rules incorporated within are not evident. In contrast to the claimed invention, Arnold has rules in multiple locations as evident in the Examiner's own cited references. Accordingly, these claims further distinguish over Arnold.

With respect to Claims 2-5, 8-11, 16 and 20 being rejected under 35 USC 103(a) as being unpatentable over Arnold, again the Office Action has not provided a prima facie case for

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obviousness. There is no specific motivation in the teaching of Arnold to suggest the use of a product list filter. Arnold teaches the use of groups by discount category, such as purchase or sale. Nothing in Arnold suggests classifying products by anything other than discount. In fact, attempting to classify products in another manner might render Arnold inoperative. Suggesting Arnold be modified in accordance with the claimed invention may cause the grouping of Arnold to break, as the claimed product list filtering does not necessarily adhere to the discount grouping technique of Arnold. The grouping technique of Arnold is evident in the cited references made by the Examiner. Product list filters (PLF) are described in the instant application at page 11, second paragraph onward. Arnold does not teach subsetting of a product list and teaches away from that notion by focusing on support for total product grouping by discount type only.

With regard to Claims 4-5 and 10-11, the business contract of the claimed invention has business rules, policy set which includes the product list filters differentiating it from the contract of Arnold.

It is not clear from reading Arnold that the contract has dynamic elements which can be altered without changing the contact. In Arnold, the changes to elements such as discount appear to be unrelated to those in the contract itself. The contract of Arnold appears to be a static document used in conjunction with information provided by other classes, as illustrated in col. 15 lines 46-49.
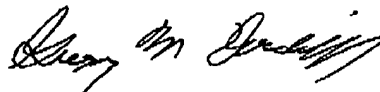
Accordingly, Applicants submit that Claims 2-5, 8-11, 16 and 20 further distinguish over the Arnold.

III.   Summary

Applicants have presented technical explanations and arguments fully supporting their position that the pending claims contain subject matter which is not taught, suggested or disclosed by Arnold. Accordingly, Applicants submit that the present Application is in a condition for Allowance. Reconsideration of the claims and a Notice of Allowance are earnestly solicited.

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